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ONTARIO PROVINCIAL ELECTIONS, 1902

CROWN LANDS DEPARTMENT

**Free Grants and Mining Lands sold or leased
since 1872..... 4,851,396 acres**

Increase of Population since 1871 in New Ontario 129,849

Miles of Colonization Road built since 1872..... 5,292

Area of Province still undisposed of.... 103,000,000 acres

**Bonus per Mile for Timber Berths sold under
Sandfield Macdonald Government \$260**

Average Bonus on Timber Berths sold since 1873 \$1,324

Revenue from Crown Lands Dept. 1867 to 1901.. \$35,051,835

Increase of Salaries in 29 years only 13 per cent.

The duties of the Crown Lands Department comprise:—

1. The sale and management of the Crown, Clergy, School and Mining lands still undisposed of.
2. The locating of settlers in the free grant and sales districts.
3. The surveying of new townships, from time to time, as may be required for settlement or for the purposes of the timber trade; and the examination and control of mining and municipal surveys.
4. The supervision of the vast area over which licenses to cut timber have been granted; the issue of timber licenses; checking of timber returns, etc.
5. The collection of Government dues and ground rents leviable upon such timber.
6. The settlement of such questions as arise in the course of transactions affecting the interests above mentioned.
7. Dealing with the enormous volume of correspondence (55,000 letters in 1901).

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Disposal of Lands.

Of the Crown lands surveyed and open for settlement, certain townships are known as free grant lands; in other townships the settler is charged 50c. per acre.

Number of free grant townships.....	170
“ sale townships.....	46
“ persons located (Free Grants) since 1872	28,101
“ acres sold and located under the Free Grants Act since 1872.....	3,875,011
“ acres mining lands sold or leased since 1872.....	976,385
Total.....	4,851,396

Population of Free Grant Districts.

The population of the new northern districts has increased with remarkable rapidity under this system of settlement, as is shown by the following table (based on electoral divisions) taken from the Dominion census:—

	1871.	1901.	Increase.
Muskoka and Parry Sound....	6,919	45,356	38,437
Nipissing.....	1 791	36,552	34,761
Algoma.....	7,018	63,669	56 651
Total.....	15,728	145,577	129,849

An increase of 827 per cent.

Another evidence of growth in population is to be found in the towns and villages in the newer districts, some of which have come into existence since the last Dominion census was taken:

Towns and villages.	Population, Dominion Census, 1901.	Towns and villages.	Population, Dominion Census, 1901.
Gravenhurst.....	2147	Sudbury.....	2027
Bracebridge.....	2479	Thessalon.....	1205
Huntsville.....	2152	Sault Ste. Marie.....	7169
Parry Sound.....	2884	Port Arthur.....	3214
North Bay.....	2531	Fort William.....	3633
Sturgeon Falls.....	1418	Rat Portage.....	5202

Increase of Post Offices in New Ontario.

The rapid increase in the number of post offices in New Ontario, viz. over 100 per cent in 20 years, is a further indication of the spread of population.

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	Post offices in 1881.	Post offices in 1901.
Muskoka and Parry Sound.....	112	141
Algoma	39	125
Nipissing	6	60
Total.....	157	326

Increase in Railway Mileage.

The following is the mileage of railways in the above mentioned districts at the present time:

Muskoka and Parry Sound	184
Algoma	537
Thunder Bay and Rainy River	873
Nipissing	210
	1804

Of the above mileage the C. P. R. system covers 1,197 miles. The balance of 607 miles received substantial money or land grants from the Government.

In 1881, there were only twelve miles of railway in all these northern districts.

New Railways in New Ontario.

The Ontario and Rainy River Railway is now practically completed from Port Arthur to Winnipeg, 263 miles of which passes through Ontario, opening up a great area of country hitherto more or less inaccessible.

The Manitoulin and North Shore Railway, ultimately intended to run from Meaford to Sudbury and the shores of Lake Superior, is under construction and is completed for about 15 miles west of Sudbury.

The Algoma Central Railway is also in process of construction, 50 of its 140 miles being finished at the time of writing, as well as some 25 miles of the Michipicoten Branch of the same line.

A land grant has been made to the Thunder Bay, Nipigon and St. Joe Railway, which, when built, will open up large areas of agricultural and mining lands north and north-east of Port Arthur.

A Bill providing for the construction, equipment and operation of the Temiskaming and Northern Ontario Railway as a Government enterprise was introduced in the Legislature on January 15, the terms of which provide for the appointment of

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a commission of from three to five men to construct and operate the railway, which will run from North Bay to a point at or near Lake Temiskaming, a distance of between 90 and 100 miles. The location of the line, plans of all works, tariffs of rates, etc., must be approved by the Lieutenant-Governor in Council. The railway may make reciprocal running arrangements with other railway companies. The cost is to be borne by setting apart adjacent ungranted lands in tiers of townships, not to exceed 20,000 acres per mile, on which the debentures shall be a charge. The railway shall be constructed and equipped with Canadian material as far as possible. No person shall be employed in contravention of the Alien Labor Act, and the current rate of wages in the district for similar work shall be paid.

The above measure has been described as "one of the most important and progressive bills ever introduced in the Legislature of this Province."

Colonization and Mining Roads.

The Government has also kept pace with the gradual development of the northern and western parts of the Province in the matter of colonization and mining roads.

Miles of new roads built, 1872-1901 inclusive.	5,292
(Yearly average of 182 miles)	
Miles of roads repaired, 1872-1901.	14,546
(Yearly average of 500 miles)	
Bridges built, 1872-1901, 20 miles, or.	114,003 feet.
Total expenditure on above.	\$3,338,743

Representing one of the many large sums of surplus revenue returned to the people.

Revenue from Timber.

The revenue from timber consists of (1) bonuses; (2) annual ground rent; and (3) timber dues.

Timber limits are disposed of by public auction, after being duly advertised. The ground rent payable in all cases is \$3 per square mile.

The timber dues are \$1.00 per thousand feet on all timber sold previous to 1892, and \$1.25 on all sold since.

Since 1868 the dues per thousand feet have been raised from 50 cts. per thousand feet to \$1.25 per thousand feet, and the annual ground rent from 50 cents per square mile to \$3 per square mile.

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Timber Sales for 60 Years.

1841-67.

Before Confederation.

Number of square miles sold at 50c. per mile.....	9,904
" " " at bonus of \$45.50 per mile....	2,561
Total square miles sold before Confederation.....	12,465
Average bonus per mile	\$9.75

1867-71.

Under Sandfield Macdonald's Government.

Square miles sold.....	635
Bonus realized	\$165,363
Highest price paid per mile.	\$640
Average bonus per mile.....	\$260

1872.

Under Blake Government.

Square miles sold.....	5,031
Bonus realized	\$592,601
Highest price paid per square mile	1,000
Average bonus paid per square mile	117

1873-1901.

Under Liberal Government since 1873.

Square miles sold.....	5,152½
Bonus realized	\$6,823,127
Highest price paid per square mile.....	17,500
Average bonus paid per square mile.....	1,324

A Striking Contrast.

From 1841 to 1871, inclusive—

The total number of square miles sold was.	13,100
At an average price of	\$21

Sale of 1872—

Area of square miles sold was	5,031
At an average price of	\$117

From 1873 to 1901—

The area of square miles sold was	5,152½
At an average price of	\$1,324

Recent Ontario Sales.

The last three timber sales of the Government have amply justified its policy of disposing of timber lands by public auction, by means of which the largest profits are secured to the revenue. The sales have been as follows :

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August 18, 1897, 159½ square miles sold for \$265,162, an average price per mile of \$1,665.

December 20, 1899, 360 square miles sold for \$723,550, an average price per mile of \$2,010.

September 17, 1901, 399½ square miles sold for \$732,787, an average price per mile of \$1,835.

Another Contrast.

THE LAST SALE UNDER THE SANDFIELD MACDONALD GOVERNMENT.

November 23, 1871, 487 square miles sold for \$117,672, at an average price per square mile of \$241.

THE LAST SALE UNDER THE ROSS GOVERNMENT.

September 17, 1901, 399½ square miles sold for \$732,787, at an average price per square mile of \$1,835.

Comparison with Quebec Timber Sales.

It is instructive to compare the sales above referred to with the sales of timber lands made by the Conservative Government of the Province of Quebec. Between October, 1873, and January, 1890, the Quebec Government sold 6,235 square miles, realizing by way of bonus the sum of \$398,722, an average of about \$62 per square mile, as compared with the average of \$1,324 per mile realized by the Ontario Government from 1873 to 1901. Sales in Quebec since 1890 have realized less rather than more

Revenue from Crown Lands Department.

From 1867 to 1871, inclusive	\$3,260,557
Average per year (for 4½ years)	724,568
From 1872 to 1901, inclusive	31,791,278
Average per year (for 30 years)	1,059,709
Total revenue from timber since Confederation...	35,051,835
or an average annual revenue for 34½ years..	1,015,900

Attempted Robbery of Ontario's Timber Lands.

It should not be forgotten that while the claims of Ontario to the disputed territory were in doubt, the then Dominion Conservative Government passed, in 1883 and 1884, over one hundred Orders in Council parcelling out the rich timber lands of North-Western Ontario among their political friends, in blocks of about 50 square miles, or 32,000 acres each, at the scandalously low price of \$5 per square mile as an annual ground rent and without competition or bonus. The recipients of these Government favors were, with a few exceptions, prominent Tories of the day, most

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of whom were in no way connected with the timber industry. The action of the Provincial Liberal Government at that time in strenuously fighting for the rights of the Province saved Ontario millions of dollars in timber values alone.

Economical Management of the Crown Lands Department.

Notwithstanding the large increase in the revenue, correspondence, and other work of the Crown Lands Department, and the opening up of extensive areas of the Crown, the Department has been managed by its successive administrators with but a slight additional cost.

Cost of Administering Crown Lands.

Salaries paid 1873 to 46 officials (permanent and temporary)	\$46,313
“ “ 1901 to 49 “ “ “	52,495

Increase in 29 years of only 13 per cent., or.....\$6,182

although the work of the Department has vastly increased, and notwithstanding the fact that in 1873 there was no Bureau of Mines, or Colonization and Forestry Branch, which cost for salaries in 1901, \$6,660.

No. of permanent officials in inside service, 1873	28
do. do. 1901	29

(These latter figures exclude the Mines and Colonization and Forestry Branches, not in existence in 1873, with 6 officials and also exclude the Colonization Roads Branch, transferred to the Public Works Department in 1899.)

Revenue collected in 1873	\$1,121,264
Revenue collected in 1901	1,634,724
Letters received in 1873	24,618
Letters received in 1901	55,000

Charges on Crown Lands.

These include expenditure on surveys, agents' salaries, wood ranging and inspection, fire ranging, and the cost of timber agencies.

Expended in 1873	\$110,491
Expended in 1901	116,735
or an increase of only 5½ per cent., or	6,244

Notwithstanding that in 1901 there was paid for fire ranging and

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timber agencies at Quebec and Ottawa new items not in existence in 1873, \$34,568.

The Exploratory Surveys of 1900.

The determination of the Government to further ascertain the great resources of the partially or undeveloped parts of the Province was shown in the exploratory surveys of 1900—one of the most important and comprehensive steps yet taken by any Provincial Government in Canada; important in the results achieved, and comprehensive in the areas of territory covered; and, it might be added, one of the most economical, the total cost of the undertaking reaching but a trifle over the \$40,000 originally voted for the purpose. This of course does not include the printing and publication of the reports, which have been in great demand.

The Scope of the Surveys.

Ten surveying parties were sent out, to each of which was assigned approximately 100 miles square for examination, comprising a territory larger in extent than the whole settled portion of Ontario, aggregating nearly one hundred thousand square miles. The region lies for the most part north of the main line of the C.P.R., and includes the major portions of the districts of Nipissing, Algoma, Thunder Bay and Rainy River.

The Government had three objects in view: To acquire information (1) as to the soil, (2) the timber, and (3) the minerals of this great Northland. Thus the three great industries of Ontario—agriculture, lumbering and mining—were in the minds of the Government. Incidentally, many miles of permanent base lines were surveyed, valuable water powers noted, and animal, plant, and fish life studied. Each of the ten parties was composed of a land surveyor, a land and timber estimator, and a geologist, with necessary assistants.

The General Results.

The combined results were more satisfactory than the most sanguine looked for. Speaking broadly, the belief was verified that in the region north of the height of land—covering over one-half of the area of the entire Province—there are large tracts of good agricultural land, that forests of spruce and other pulp woods exist to a much greater extent than was anticipated, and that nature has provided a succession of waterways on

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which to float the timber to the mills or markets. In addition there was located a great pine forest stretching northward from Lake Nipissing and the C.P.R. towards the height of land. Nearly three billion feet board measure of standing pine has been reported from this section alone.

The gratifying results of these exploratory surveys recalls the battle for Provincial rights in connection with the boundary award, and the great value of part of the territory then won for Ontario. If the Dominion Conservative Government of that day, backed as they were by the Ontario Conservative Opposition, had had their way, a considerable area of this vast north-land, with all its natural resources, would have been diverted from Provincial ownership and control. The Province may well thank the Liberal Government of Ontario for so strenuously fighting for our Provincial rights on that occasion.

Summary of Surveys.

AGRICULTURAL LANDS EXPLORED.

	Sq. Miles.	Acres.
Nipissing	3,000	1,920,000
Algoma	17,500	11,200 000
Thunder Bay	4,000	2,560 000
Rainy River.....	600	384,000
	25,100	16,064,000

Allowing 200 acres to each head of a family, the above acreage would accommodate 80,320 families, and allowing 5 to each family, this would represent a rural population of 401,600 souls; but assuming that the country is capable of supporting, as no doubt it will be in the future, a population equal to the same area in the older parts of the Province, it will ultimately maintain a population of over 1,000,000 people.

ESTIMATE OF PULPWOOD AREAS.

	Cords.
Nipissing.....	20 000 000
Algoma.....	100 000 000
Thunder Bay.....	150 000 000
Rainy River.....	18,000 000
	238,000.000

Taking this quantity of pulpwood at the present rate of dues viz., 40 cents per cord, we have an asset of \$115,200,000.

Net results of the exploration:—

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Homes for a million people.
 An asset of \$115,200,000 in pulpwood.
 An asset of 3 billion feet of white pine.
 An asset in valuable water powers.
 An asset in new mining regions.

Unsurveyed Lands in the Province.

The two following tables will be of interest as showing the total area of the Province, the area surveyed, the acreage disposed of, and the balance left in the hands of the Crown :—

Estimated area of the Province	126,000,000 acres.
Estimated area of the above surveyed.....	40,116,075 "
Leaving unsurveyed	85,883,925 acres.

Vast Area of the Province Still Available.

Estimated area of the Province	126,000,000 acres.
Estimated area sold or disposed of.....	22,863,578 "
Leaving undisposed of	103,136,422 "
Of which there are surveyed	17,252,497 "
Leaving unsurveyed	85,883,925 acres.

Notwithstanding the rapid development of the Province during recent years, it will be seen from the above figures that there is still an enormous undeveloped area at the disposal of the Crown, full of great possibilities, and only awaiting the settler or the miner to realize on its natural wealth. Nearly five-sixths of the Province is yet open for settlement and development.

History of the Saw Log Policy.

The management of trade and commerce has always been regarded as being a Dominion Government matter.

The aim and desire of the lumber trade has always been to secure free admission for Canadian lumber into the United States market.

The Reciprocity Treaty of 1854 gave free admission to Canadian lumber, and under it there was nothing to prevent the export of Canadian logs.

On the abrogation of the Reciprocity Treaty in 1866, an *ad valorem* duty was imposed on Canadian lumber. In the same year the Government of Canada imposed an export duty of \$1 per 1,000 feet on logs.

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In 1872 the United States duty on Canadian lumber was changed from an *ad valorem* to a specific duty of \$2 per 1,000 feet without respect to quality. This struck a heavy blow at the coarser grades of Canadian lumber, practically shutting them out of the United States market. The higher grades still went there.

The export of logs from Canada was confined to one Province, Ontario, and to one part of that Province, viz., the territory bordering on Lake Huron.

As long as there was plenty of pine in Michigan there was no export of pine from Ontario, and Canada had nothing to offer for free entrance of her lumber.

There was practically no export of logs prior to 1889, when the Americans, recognizing the disappearance of Michigan pine, began to buy Canadian logs to supply their Michigan mills and thus avoid the wiping out of their mill plant. The attention of the Dominion Government was called to the fact that there was now an implement in their hands to bring pressure to bear upon our American consins to give a *quid pro quo*. The export duty on Canadian logs was accordingly in 1888 raised to \$3 per 1,000 feet.

In 1889 the Dominion Government reduced the duty to \$2 per 1,000 feet, as informal negotiations had sprung up looking to better terms for Canadian lumber.

The Ontario Government, recognizing that it would be a proper step to assist the Dominion Government, or, at any rate, to put an end to the unfair system prevailing of Ontario logs going out while our lumber was discriminated against, determined to put a condition in the timber sale of October 1, 1890, requiring that logs cut on lands included in that sale must be sawn in the Province. Very shortly afterwards an agreement was arrived at by which the United States reduced the duty on Canada lumber to \$1 per 1,000 feet, and Canada thereupon removed the export duty on logs.

In 1894 the position was further improved for Canada by the removal, under the Wilson Bill, of the \$1 duty on Canadian lumber, which now obtained free admission to the United States markets.

From 1886 down to 1890 the Government of Canada dealt five times with the question of the export of logs—four times by Order in Council, and once by Act of Parliament, in which they took general charge of the export of logs question.

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It will thus be seen that the Ontario Government had thus far no occasion to interfere, as the Government of Canada could stop the export of logs at any moment by raising the export duty. It had assumed to do this and had obtained what was regarded by the lumber trade as a satisfactory concession for the wiping out of the duty, viz., a lowering of duty on lumber from \$2 to \$1 per 1,000 feet. The placing of the condition in the sale of 1890 by the Ontario Government was made a strong plea at Washington for an increase in the United States duties on Canadian lumber.

Then came a change. The Republican party being restored to power, protection was again the order of the day, and in 1897 the Dingley Bill was passed, reimposing \$2 per 1,000 feet on lumber exported to the United States, with an automatic clause adding to this sum any export duty that might be imposed by Canada, thus committing a breach of agreement and at the same time trying to tie Canada's hands.

This completely changed the position of affairs with regard to the United States, and as, owing to the automatic clause of the Dingley Bill, the Government of Canada could not restore the export duty on logs without entailing disastrous results, the Ontario Government was appealed to to meet and overturn the more and ungenerous legislation of Congress. As a first step, when a timber sale was held in 1897, the condition was reimposed that the logs must be sawn in Canada. But the bad faith observed by the United States was so resented that the matter could not stop there and an agitation sprung up to apply the manufacturing condition to all licenses. The Hardy Government gave a full hearing to all the interests affected and then made up its mind to protect the interests of the Province.

There was plenty of time, as it was not felt that the conditions of current leases could be changed until their expiry on April 30. But on October 13, 1897, the then Premier wrote to the President of the Toronto Board of Trade that the Legislature would be asked at its coming session to enact such legislation as the public interests might require, when the whole matter was fully and openly discussed. There was a clear intimation that a change was to be made; otherwise there would have been no need for any enactment.

To prevent any possibility of disallowance, if such should be thought of, the Government proceeded to make regulations under authority of existing statutes, and on December 17, 1897, an

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Order in Council was passed providing for the sawing of all logs in Canada after April 30 then next. When the House met, it was asked to approve the Order in Council. The attempt on the part of the United States to outwit us was therefore thwarted, and the result has been to carry the war further than our American friends expected, for instead of our mills being dismantled and removed to Michigan, as they expected under the automatic Dingley tariff clause, the action of the Ontario Government has caused Michigan mills to be dismantled and moved over here or new mills erected in Ontario.

The Ontario Government was not called upon to move as long as the Dominion Government could protect the rights of our people. It left the matter to the proper authority, viz. the Dominion Government, but when that Government could not, without disaster to the whole lumber trade of Canada, do what was necessary, then for the first time the Ontario Government was bound to act, and it did so to the extent of what was honorable, legal and necessary.

In order to understand the position properly, it might be said that owners of timber berths are required to take out a license annually for the right to cut timber. This license expires on the 30th of April. In the Government Bill it was not intended to apply the manufacturing clause to saw logs until the close of the license year. Mr. Whitney and his friends contended that the manufacturing conditions should be applied forthwith. This would have been a breach of contract with the lumbermen, as it changed the conditions on which the license for the year had been issued. The Government felt that its contracts should be kept inviolate, and in this view the House concurred. Had the manufacturing clause applied to the contracts then pending, it is all but certain that the Courts would have set it aside.

Since then the right of the Government to impose the manufacturing conditions upon logs cut in Ontario was argued before the Court of Appeal, and after an exhaustive discussion of the rights of the Province, the Court held that the law was strictly within the jurisdiction of the Province, and now may be considered the settled policy of the country.

This action on the part of the Government has brought prosperity to many Ontario towns and villages along the shores of Lake Huron. Saw mills which, owing to a hostile tariff, were idle and falling into disrepair, have been again put in operation. New mills have also been erected at several points, with immense

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sawing capacities, and involving the expenditure of large sums of money. These mills are of the most modern type, and there is no doubt that the saw-milling industry on the Canadian side of the Great Lakes has now been placed on that permanent basis which is warranted by the illimitable forest wealth behind it. Thousands of Canadian workmen are finding employment in sawing in our own country the logs which were formerly towed across the lakes in an unmanufactured state, to feed the saw mills of Michigan, and thus contribute to the prosperity and trade of a country which has erected a tariff barricade against the importation of our sawn lumber.

Increase in Cut of Ontario Saw-Mills.

Some idea of the growth of the saw-milling industry in Ontario during the last few years, principally as a result of the prohibition of the export of logs cut on Crown Lands, may be seen from the following tables. It is not possible, of course, in a statement like this to be exact to a dollar, but the figures given have been gathered from what are believed to be most reliable sources and have been compiled with great care. The first table deals with new mills which have been erected, and the second with mills which stood in disuse for several years while Ontario logs were being towed across to the Michigan shore, but which have been refitted and again put in commission since the prohibition of export.

NEW MILLS ERECTED.

Cost	Hands Employed	Annual Cut
\$849,400	1,218	212,250,000 ft., B. M.

OLD MILLS RE-FITTED AND NOW IN OPERATION.

Expenditure	Hands Employed	Annual Cut
\$181,500	1,105	147,500,000 ft., B. M.

A total expenditure of \$1,030,900 on saw-milling properties, which give employment to 2,323 men for a great part of the year, and whose annual cut is 359,750,000 feet board measure. It is estimated that the cost of sawing and piling pine lumber on the Great Lakes is about \$2.50 per thousand, so that the amount of money from this source, which is annually disbursed among Canadian

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workmen, to be expended in Canadian towns and villages, can be very easily arrived at. To this amount should be added, too, the freight paid Canadian railways and vessel owners on the shipment of the sawr lumber, amounting to about \$2 per thousand.

The Pulpwood Industry.

Vast as the pine timber industry in Ontario has been, and despite its great value in adding to the wealth of the Province and assisting in supporting its industrial life, our immense forests of spruce are equally important, in fact are likely to be of even greater value than the pine resources.

While we have considerable spruce large enough to make sawn lumber, great forests of this tree stand so thick on the ground as to prevent large growth and much of it is mainly valuable for wood pulp. These forests, if thinned out, would, of course, grow to a size suitable for saw log purposes, but the growing demand for spruce for the manufacture of paper renders the tree very valuable, even when of small size. Because of this, spruce may be cut in from 20 to 30 years from the seed and therefore two crops of spruce can be harvested to one of pine. By reason of this natural law of reproduction, our pulpwood forests cannot be exhausted by gradual utilization. It is therefore a wise economy to realize on this source of wealth.

The Recent Growth of the Industry.

The wood pulp industry is of comparatively recent growth but is increasing rapidly. Owing to the nature of the industry, the large capital required in its development, and the fact that pulpwood grows in a more scattered form than pine, it was early seen that the method of disposing of the pine timber would not be applicable in this case. The pine timber is sold to the highest bidder at public auction and the license issued for one year only, renewable till such time as the timber has been removed from the land. Very little capital was required except in the purchase of the timber. In the pulp industry the conditions are entirely different. It was in the first place important to the industry and general welfare of the Province that the pulpwood should not be sold and exported from the country in its raw condition. In order to manufacture it into pulp, large buildings with expensive equipment are needed, requiring enormous power, and in order to warrant so extensive an investment, the capital-

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ists would naturally require for a long term of years a reasonable guarantee of a supply of wood necessary for the continuance of the industry. The policy of the Government therefore was to grant concessions over a limited territory containing spruce and kindred woods, for a term of years—usually twenty-one—on condition that the capitalists expend a certain amount of money in erecting mills and manufacture into pulp all the wood cut upon this territory, with a guaranteed number of hands to be employed, the Government also collecting from the concessionaires dues representing the value of the wood when cut. Formerly the dues on spruce were 20 cents per cord, but with its increasing value the dues were, on March 20th, 1900, increased to 40 cents per cord.

The export of pulpwood in a non-manufactured condition has also been prohibited by a bill introduced by the Commissioner of Crown Lands on March 7th, 1900, so that the law now provides that all pulpwood cut on Crown Lands in the Province must be manufactured in Canada, the same as pine saw logs, thereby giving employment to home industry and in a practical way aiding in the development of New Ontario and building up the trade of Old Ontario.

Pulpwood Concessions.

In the various concessions granted the different pulp companies, the Government reserves the right to increase the dues at any time and no doubt will do so proportionately with the advancing value of the timber. In accordance with this policy, concessions have been granted to various companies, some of which have already erected mills and are in active operation, others of which have not yet completed their part of the agreements. The following is a list of agreements entered into with different companies and the amount agreed to be invested :

	Capital to be invested.	Employees.
Sault Ste. Marie Pulp and Paper Co...	\$ 400,000	400
Sturgeon Falls Pulp and Paper Co....	1,000 000	240
Spanish River Pulp and Paper Co.....	500,000	250
Blanche River Pulp and Paper Co.....	750 000	300
Nepigon Pulp, Paper and Mfg. Co.....	200 000	200
Keewatin Power Co.....	1,500 900	500
	\$4,350,000	1,890

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The above sums required to be invested under the agreements are minimum amounts only. Some of the enterprises mentioned have already expended sums largely in excess of those called for by their agreements, and instead of the \$4,350,000 demanded, the capital invested will ultimately reach many millions, necessitating the employment of several thousand men.

These mills will undoubtedly find it to their advantage to further manufacture this pulp into paper before sending it abroad, thus requiring a further expenditure of capital and the employment of additional labor.

Within a few years there will be many thousands of our people obtaining a living in the mills and in the woods in connection with the woodpulp and paper trade, because of the progressive nature of the Government policy in this regard.

The Government, by its action, has secured the investment of extensive capital, and it is to be remembered that every cord of wood cut under these agreements, whether of spruce or kindred timbers, must pay its dues. Nothing is given away.

Another important feature with respect to these pulp concessions is that they in no way retard the progress of settlement in the districts for which they are granted. The settler or miner is not locked out of the country, but the lands are open for disposal, and immediately upon the sale or location of any land for settlement or mining purposes, the spruce and other pulp timber pass from the operation of the concession and become the property of the locatee or purchaser.

The Toronto *Mail and Empire*, speaking of the pulp concessions, called them "a criminal disposal of the Province's assets" and characterised the act of the Government as one of shamelessness and an entire disregard of principle and decency.

In the session of 1900, and also in the session of 1901, Mr. Whitney voted against every proposal submitted by the Government for the development of the pulp industries of the Province.

Mr. Whitney and New Ontario.

Mr. Whitney claims to be in favor of developing New Ontario. Anybody knows that there can be no development or settlement without a proper survey of the district into townships and lots. It is important that settlers should have a wide range of choice, and for that reason surveys should be carried on considerably in advance of settlement. Acting on this policy the Government

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proposed in 1893, when there was some activity in the movement of settlers to Ontario, to spend \$35,000 on surveys. The estimates came before the House on the 26th of May, when it was moved by Mr. Clancy, seconded by Mr. Miscampbell, "that the resolution (respecting the expenses of the Crown lands) be not now concurred in, but be forthwith referred back to a Committee of the Whole House, with instructions to strike out the item of \$35,000 proposed to be voted for Surveys of Townships in New Districts." (see page 197, Journals 1893). For this resolution Mr. Whitney and all his followers voted.

The Ontario and Rainy River Railway.

In 1899 the Government proposed to open up the Rainy River district by a sufficient subsidy to the Ontario and Rainy River Railway, now known as the Canadian Northern, which would insure its speedy completion. It was considered that the early construction of this road was most important, as it passed through a large belt of iron mining lands west of Port Arthur, and also through the Rainy River valley, said to contain nearly a million acres of arable land. Owing to the difficulties of construction the usual subsidy was deemed insufficient, and when the Bill was before the House, Mr. Whitney moved an amendment for reducing the subsidy from \$505,000 to \$225,000. Had the House supported him it is quite possible the promoters of this road would have failed in their undertaking, and the large areas through which it passes might not be opened up for years to come. It should be remembered also that in addition to opening up the country, this railway gives a competing line with the C.P.R. from Port Arthur to Winnipeg and the West; the effect of which on freight rates from Ontario to the North-West cannot fail to be beneficial.

The Algoma Central Railway.

Again in the Session of 1900 Mr. Whitney opposed in the most violent manner the Bill brought down by the Government for the construction of the Algoma Central Railway. This railway runs from Sault Ste. Marie, at the foot of Lake Superior, to the Canadian Pacific Railway, a distance of 140 miles, and opens up a tract of land hitherto inaccessible. It was one of Mr. Clergue's enterprises, and was subsidiary to the development of the pulp industry of the country, and also the opening up of the mining

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lands in the neighborhood of Michipicoten. It was proposed to build the railway by land subsidy entirely, and as the lands were really of no value without the railway, it was considered the Government had made a good bargain. In speaking of this grant Mr. Whitney said (*Mail and Empire*, April 27, 1900):—"Mr. Clergue, in his wildest imagination, could not expect more than had been given, and given to the eternal shame of this Government, and to the disgrace of every man who would be connected directly or indirectly with the deal. They were handing over to him a million and a half of acres of valuable pulp and mineral lands, and asking nothing in return. The Government had made the pretence that they were securing certain concessions from Mr. Clergue, but everyone of these, it was provided, could be waived. I have no hesitation (concluded Mr. Whitney), and I meet the jeers of the hon. gentlemen opposite with patience, I have no doubt that public opinion will say with regard to it that it is the most phenomenal steal, the greatest attempt at public robbery, the most heinous public crime that was ever attempted by men in authority in the Dominion of Canada, and I don't think I would be exaggerating to say, on the continent of North America." (Prolonged Opposition cheers.)

Divided the House.

Although the arrangement for the construction of the Algoma Central was considered one of the best bargains ever brought before the Legislature, Mr. Whitney insisted on dividing the House on the third reading of the Bill, and he, with all his followers, voted against it.

Already over fifty miles of the road have been built, and it is probable before the close of 1902 direct communication will be had between Sault Ste. Marie and the Canadian Pacific Railway. Mr. Clergue promises to extend the road northward until it reaches James Bay, and had, during the summer of 1901, exploration parties in the field with a view to the location of the line. The Algoma Central Railway is now practically the backbone of all Mr. Clergue's enterprises at the Sault, on which he has already expended about fifteen millions of money. Surely it is but reasonable, if New Ontario can be developed by means of its own waste lands, that no better use could be made of these lands than was proposed by the Government, and which met with Mr. Whitney's opposition.

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Vote to Abolish European Immigration Agency.

In the estimates for 1900 appeared an item of \$4,825 for maintaining an Immigration Agency at Liverpool, and other expenses. The sum, though small, was effective in directing a considerable number of agricultural laborers and domestic servants to Ontario. The Government felt, as an increase of population was important, that such an agency should be continued. Mr. Whitney and his friends apparently were opposed to immigration, notwithstanding we have millions of acres of land unsettled, and the moderate efforts of the Government to find settlers could not be entertained, and accordingly it was moved by Mr. Morrison, seconded by Mr. Allen, "that the resolution (respecting immigration) be not now concurred in, but be forthwith recommitted to the Committee of Supply with instructions to reduce the item by \$4,825, being the first five items for the Liverpool Emigration Office." No surveys for settlement and no settlers for New Ontario appear to be Mr. Whitney's line of action.

Opposed the Appointment of a Clerk of Forestry.

Mr. Whitney's interest in the protection of the timber resources of the Province is shown by the fact that on April 30th, 1894, Mr. Monk moved, seconded by Mr. Preston, "that the resolution respecting grants (in aid of agriculture) be not now concurred in, but be forthwith recommitted to a Committee of the Whole House with instructions to reduce the item by \$2,000, being the salary and disbursements of the Clerk of Forestry, which office was now vacant, and in the opinion of this House should be discontinued." (See page 181, Journals, 1894).

Mr. Whitney joined with the Opposition in voting for this resolution, and yet no branch of Government was more needed, or has proved more valuable, than the Forestry Branch of the Department of Crown Lands. Mr. Whitney has never grasped the importance of the great subject of forest preservation and reforestry.

On March 29th, 1899, for the third time, Mr. Whitney voted to abolish the office of Clerk of Forestry.

Forestry and Forest Reserve

There is no feature of administration which reflects more credit on the Government than its plans for conserving the timber supply through forestry and forest reserves. Indeed,

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Ontario can safely challenge comparison in this respect with any other Province or State on the Continent. It was in 1883 that the Government inaugurated a propaganda with a view to educating public opinion as to the danger of deforestation in the older parts of Ontario, and as to the necessity for the conservation of young timber growths in the newer parts of the Province. Two Forestry Commissions, appointed respectively in 1892 and 1897, rendered valuable assistance in this regard.

Government action has taken the practical form of setting apart a series of forest reserves, utilizing land found unsuitable for agricultural purposes, and that can be more profitably devoted to growing trees for future timber supplies and consequent timber revenue. In addition, great advantages will accrue from the preservation of the sources of important water supplies, as well as from the beneficial effects of such reserves on climatic conditions.

The reserves thus set apart are as follows:—

1. A reserve in the counties of Addington and Frontenac, comprising 80,000 acres. Set apart April 5th, 1899.
2. A reserve on the North Shore of Lake Superior, 40 miles east of Port Arthur, with an area of 45,000 acres. Set apart Feb. 16th, 1900.
3. The Temagami Reserve, set apart Jan. 11th, 1901, comprising the region surrounding Lake Temagami, an area of about 1,400,000 acres, (carrying a very large quantity of white pine, estimated at three billion feet), and forming a vast park of wonderful scenic beauty.

Thus there has been set apart (including Algonquin National Park) over two-and-a-half million acres as reserves, and further action in the same direction will no doubt form part of the Government's advanced policy regarding New Ontario; in fact, investigations to that end are at present under way.

In this and in many other respects, the establishment of a Forestry Branch has been more than justified, notwithstanding which the Opposition has always opposed it, as they have opposed nearly every feature of the Governmental programme having to do with the great natural resources of the Province.

The Colonization Work of the Government.

In 1900 the Government created a Bureau of Colonization for the purpose of looking after the settlement of the large

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areas of new land in the Province. The Bureau was placed under the charge of the Commissioner of Crown Lands, and during the two years splendid results have been obtained.

The work of the Bureau was directed not alone to looking after immigration from outside, but to show our own people who were looking for land the advantages possessed by the different parts of the new districts of this Province, and further by securing reduced railway rates, employing land guides, directing the building of wagon roads and bridges, and in many other ways aiding them in settling upon the land and getting it under crop.

It is the policy of the Government that while it welcomes intelligent, law-abiding strangers, it will give them no aid or advantage that is not given the people of Ontario. Through the system of land guides, settlers are directed to good agricultural land, of which there is an abundance in the Province. After location, they have advantages probably superior to that of settlers in any other province or country from the fact that in addition to being able in most cases to dispose of considerable timber at a fair price, they also have opportunities for employment on colonization roads and in connection with the mining, lumber and other industries of the newer parts of Ontario.

By encouraging industries, and through the building of railways in the various districts, the Government has therefore provided local markets for labor and produce in all the new settlements. The Bureau has already accomplished much in convincing land-seekers that our Northland is not the frozen, inhospitable region many would have them believe, but a region containing some of the richest farming lands in the world.

It is impossible to tell how many people have settled in New Ontario during 1901. Many have settled in the villages and engaged in business and mechanical callings. In the western part of Nipissing a large number of settlers have located and started to make farms who have not applied for locations, and of these there is no record. In Thunder Bay district many new settlers have bought lands from private parties, who purchased them from the Crown many years ago as mining lands. The Rainy River section also continues to be an attractive field for home-seekers.

In June of 1901 an excursion was run to the Temiscamingue townships. Nearly two hundred took advantage of it, most of whom remained to take up land. New townships have been opened to settlement here as fast as requirements demanded.

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There have been located and sold in New Ontario, during 1901, according to the returns of Crown Lands agents, farms of from 100 to 160 acres each to the number of 2,541, amounting to three hundred and thirty thousand acres, representing a population of nearly 10,000. These official figures do not, however, fully represent the total influx of people into New Ontario.

The Government's Mining Policy.

The mining law of the Province is embodied in the Mines Act, R. S. O., 1897, Chapter 36, as amended by the Acts of 1899 and 1900.

The price per acre for mining lands ranges from \$2.00 to \$3.50, according to distance from a railway, and whether in surveyed or unsurveyed territory. If a lease be preferred it can be obtained on payment of \$1.00 per acre for the first year, and 15c. to 30c. per acre for subsequent years. Lessees have the privilege during the currency of their lease of purchasing the lands outright; or at the end of ten years, if all rent has been paid and the statutory conditions complied with, the lessee gets a grant without further payment.

Mining lands cannot be held without being worked, the law requiring at least \$6.00 per acre to be expended in development work during the first seven years, at the rate of \$1.00 per acre for the first two years and \$1.00 per acre per annum for the next five years.

Prospecting for minerals on Crown lands is encouraged by free grants of forty acres where valuable discoveries are made in new territory.

In a Mining Division a miner's license, costing \$10.00 per annum, entitles the holder to stake out mining claims of twenty-two and one-half or forty acres, and to hold the same on performing the required development work. Similar regulations are in force with respect to unsurveyed territory.

The greatest area which may be granted to any individual in one year is 320 acres of land containing the same class or kind of ore or mineral within a radius of fifteen miles in any county or district. To companies, syndicates or partnerships the maximum area is 640 acres.

The royalties formerly reserved to the Crown have been abandoned.

Stringent regulations are provided in the Mines Act to protect

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the health and insure the safety of working miners, and no females or boys under fifteen can be lawfully employed in any mine.

Two diamond drills have been bought by the Government and are placed at the service of parties wishing to use them for exploring deposits of mineral, 35 per cent. of the cost being defrayed by the Government.

Special encouragement is given to iron mining, payments not in excess of \$25,000 per annum being made out of the Iron Mining Fund by way of bounties on iron ore raised and smelted in the Province.

Power is reserved to the Lieutenant-Governor in Council to impose a license fee of \$10.00 per ton for nickel ores and \$7.00 per ton for ores of copper and nickel combined, or \$60.00 per ton and \$50.00 per ton respectively if the ores are partly treated or reduced, such fees to be remitted where the ores are treated in Canada so as to yield fine metal or other product suitable for direct use in the arts without further treatment.

To provide facilities for educating and training mining engineers, special grants have been made to the School of Practical Science, Toronto, and the School of Mining, Kingston; and summer mining classes are held at the principal mining centres for the instruction of miners and prospectors in mineralogy, elementary geology, etc.

A Provincial Assay Office has been opened at Belleville, at which prospectors and others may have samples of ore and minerals assayed at reduced charges.

Local agencies have been opened in the mining districts where maps and records of granted and ungranted lands may be consulted, and application for lands made.

The Bureau of Mines was established in 1891 to aid in promoting the mining interests of the Province. Investigations are made, statistical and other data collected, mineral regions of promise examined and mapped, and annual reports published, bringing the mineral resources of the Province prominently before capitalists and others interested. The demand for these reports is very great, not only in Canada, but also from Great Britain and the United States.

An exhibit of Ontario minerals was made by the Bureau of Mines at the Pan-American Exposition held at Buffalo from May to November, 1901. The exhibit was acknowledged to be the best in the Mines Building, and won a larger number of gold,

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and silver bronze medals and "honorable mentions" than the exhibit of any other state or country save Mexico.

Provincial Parks.

Algonquin Park was set apart in 1893 as a health and pleasure resort and forest and game preserve. It is a densely wooded tract of over 1,100,000 acres situated in the District of Nipissing. Since it was established it has proven a veritable asylum for wild life, and moose, deer, beaver and other game and fur-bearing animals have greatly increased in numbers.

Rondeau Park, in the County of Kent, was set apart in 1894. It contains about 5,000 acres, about one-half of which is covered with timber, thus preserving a remnant of the magnificent forest which once characterized this part of Ontario.

By setting aside an area of land under the name of Queen Victoria Niagara Falls Park the Government has given the people of Ontario and all visitors free access to and enjoyment of the great natural spectacle afforded by the Falls of Niagara. A board of commissioners appointed by the Lieutenant-Governor in Council administers the affairs of the Park with little or no cost to the public chest.

Water Powers.

The growing importance of water powers in industrial development, especially their use in generating electricity, has been recognized by the Government, which in 1898 deemed the time had come to do away with the old system by which valuable water privileges were granted in fee without requiring them to be improved, thus allowing of their being locked up for purposes of speculation. Accordingly, a short Act was passed (61 Victoria, chapter 8), entitled An Act respecting Water Powers, under which Regulations were made providing that all water privileges in excess of 150 horse-power disposed of thereafter should be leased on condition of actual development within a specified period, with a proviso that other persons should be furnished power not required by the lessees at rates subject to the control of the Lieutenant-Governor in Council.

The rental asked by the Department is very moderate, the object being to encourage the development of the many large water falls characteristic of northern Ontario, while at the same time protecting the public by making development compulsory and providing for reasonable rates to users of power.

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The importance of this matter may be realized when it is stated that there are falls and rapids not yet utilized in Ontario capable of doing all the work many times over now performed by all the steam engines in the Province.

MR. MARTER ON THE KEEWATIN PULP AGREEMENT.

(*Globe*, April 11, 1901). Mr. Marter (North Toronto) in a vigorous but comparatively brief speech, supported the agreement and the policy of the Government in regard to like concessions. The Government, it would be granted, were the responsible party to bring in such agreements, and if they did not assume that responsibility there would be reason to find fault with them. The interests of the country demanded that as far as possible these and similar agreements, with, of course, certain wise precautions, should be made.

The Clergue and the Sturgeon Falls concessions had been passed without opposition. The Spanish River agreement had been opposed, but he wanted to know in what manner it differed and in what manner the present agreement differed from the others. They contained no more favorable terms to the promoters than those in the agreements which had previously carried unanimously. There should be consistency on these questions, which were not party questions, but matters of vital interest to the whole Province (Ministerial applause). He had himself taken a different attitude on the Spanish River concessions to that he assumed now, for reasons perfectly patent to the House, and which he was prepared to explain to his constituents if they desired him to do so. He touched upon the benefits which had already accrued in the way of establishing great industries, the giving of employment to many people, the investment of immense capital, etc., through the Clergue agreement. Capital was being expended on the other concessions, and in due time these would also result in great benefit to the whole community. He thought the House would be criminally negligent of its duties if it did not allow this great development to take place. The Province had the timber, but it was of no value unless used. The Government must go into the business to get the value of it, or give other persons concessions to do so.

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THE PROVINCE PROTECTED.

So far as his personal judgment and consideration of the question was concerned, he was convinced that no monopoly was granted under the agreement now being discussed. The rights of the Province and of the people were fully protected. If the agreement turned out unsatisfactory to the Company the latter had only themselves to blame; they could not fall back on the Province. Honorable gentlemen had argued that the Spanish River concession was a gold mine for the Company. If they believed that, he would like to know how many of them had invested in the stock which was so widely advertised a short time ago. (Ministerial laughter and applause).

IN THE PUBLIC INTERESTS.

In conclusion, Mr. Marter regretted that the feeling was that certain measures should be opposed simply because they were proposed by the Government. "I say to this House," he said, "and to my constituents, that in taking this position, and doing what I am doing to-day, I am acting in the best interests of the Province, and of the constituency I have the honor to represent."

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